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35TH ASSEMBLY DISTRICT  
**BUDGET BULLETIN**  
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## REPUBLICAN BUDGET PROPOSAL

You have all heard that California is facing a fiscal crisis. In an effort to provide you with current information, here is a brief summary of the most significant parts of the **Republican Budget Proposal**, revealed on Monday, December 15, 2008.

Many of you ask, "Why can't you all just reach a compromise and settle the budget mess?" Democrats have compromised and made \$12 billion in budget cuts in the last 3 budget years. I believe it's important for you to see what is at stake. Compromise under these circumstances means taking voter approved money away from babies, our children and the mentally ill; more deep cuts to our kid's schools, colleges and community colleges, slashing assistance to the elderly, the infirm and our neighbors who desperately need our help. Many of the Republican budget cuts would shift program costs to counties.

## PROPOSED REPUBLICAN BUDGET CUTS

### K-12 Education

**\$10.6 billion in total cuts to education**, the state's biggest expenditure, K-12 and community colleges. Funding for children in K through 12 would be cut by about \$1,300 per student.

(K-14)

**\$8.65 billion in cuts**

Cut after school programs

**\$550 million in cuts**

Cut facilities maintenance and repair

**\$280 million in cuts**

Other cuts to education

**\$1.0 billion in cuts**



## Higher Education

**10 percent across-the-board reduction** to University of California, California State University and Hastings  
**\$264.2 million in cuts**



## Elderly and Disabled

In-Home Supportive Services Program (IHSS) - Target program services to the neediest individuals - (1) provide nonmedical services only to the highest need consumers and (2) increase how much some individuals will have to pay before receiving subsidized care  
**\$117.0 million in cuts**

Cut IHSS worker wages and benefits to the state minimum wage (\$8 per hour)  
**\$269.5 million in cuts**



## Medi-Cal

Medi-Cal - Suspend County Eligibility Processing Cost of Living Adjustment (COLA)  
**\$24.6 million in cuts**

Medi-Cal (1) Reduce eligibility for working families, (2) eliminate certain optional benefits, including, optometry and psychology, and (3) reduce reimbursement rates for public hospitals  
**\$406.1 million in cuts**

Medi-Cal – Increase costs to aged, blind, and disabled for services  
**\$215.9 million in cuts**

Medi-Cal - Suspend 90% Rate Increase for Family Planning  
**\$56.9 million in cuts**

Healthy Families Program - Freezes money for new enrollment  
**\$28.4 million in cuts**

Reduce payments to Regional Centers- Discount payments to regional center service providers by three percent effective December 1, 2008  
**\$85.5 million in cuts**

Department of Developmental Services – increase parental co-pay  
**\$10.0 million**



## PROPOSED REPUBLICAN BUDGET GIMMICKS

Republicans would raid existing voter-approved programs that protect babies and support the mentally ill. Republicans propose a 2009 special election to siphon away program money.

### **Raid Proposition 10, Children's Health Programs**

The Republican budget scheme wants to take \$2.1 billion from Proposition 10, the tobacco tax that funds babies and children's health programs

### **Take Proposition 63, Mental Health Programs Money**

The Republican budget would take \$3.9 billion from Proposition 63, the measure voters approved in 2004 to fund mental health programs



## CALIFORNIA'S CONSTRUCTION PROJECTS AT RISK

State Treasurer Bill Lockyer has warned that 200,000 California public works construction jobs are at risk unless the budget crisis is solved immediately. That's because the state has been unable to sell bonds used to keep cash flowing. The credit crunch and budget problems have teamed up to further exacerbate California's fiscal challenges.

Halting public-works projects could cost private companies as much as **\$12.6 billion and put 200,000 people out of work.** The legislature must take steps to close the budget gap. The consequences of failing to act are too severe.